

17 January 2008

The U. S. Securities and Exchange Commission  
450 Fifth Street, N. W.  
Room 3117  
Office of International Corporate Finance  
Mail Stop 3-9  
Washington, D.C. 20549  
U. S. A.



Rule 12g3-2(b) Exemption  
of Kobe Steel, Ltd.,  
File number: 82-3371

**SUPPL**

Dear Madam/Sir:

In connection with Kobe Steel, Ltd.'s exemption pursuant to Rule 12g3-2(b) from the registration and reporting requirements of the Securities Exchange Act of 1934, and in compliance with its ongoing requirements under Rule 12g3-2(b)(iii), please find enclosed a copy of the Company's release today covering

**"ISSUANCE OF DOMESTIC UNSECURED YEN BONDS"**

Thank you for your assistance in handling it as required.

Sincerely yours,

櫻井 宏之

Hiroyuki Sakurai  
Finance Department  
Kobe Steel, Ltd.

**PROCESSED**

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**THOMSON  
FINANCIAL**

*Handwritten signature*  
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17 January 2008

Yasuo Inubushi

President, Chief Executive Officer &

Representative Director

Kobe Steel, Ltd.

(Tokyo Stock Exchange Code No. 5406)

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Contact: Publicity Group

Kobe Steel, Ltd.

Tel: Tokyo 03-5739-6010

Kobe 078-261-4040

## ISSUANCE OF DOMESTIC UNSECURED YEN BONDS

Kobe Steel, Ltd. hereby gives notice that it has decided to issue Domestic Unsecured Yen Bonds under the terms as set forth below:

### I. Domestic Unsecured Yen Bonds due 23 January 2013

1. Name: Kobe Steel, Ltd.  
Series 47 Unsecured Bonds  
(Limited Inter-Bond Pari Passu Clause)
  2. Total Amount of Issue: 10 Billion Yen
  3. Denomination of Bond: 100,000,000 Yen each
  4. Interest Rate: 1.19% per annum of the principal of the Bonds
  5. Issue Price: 100% of the principal amount of the Bonds
  6. Redemption Price: 100% of the principal amount of the Bonds
  7. Maturity Date: To be redeemed in a lump sum on 23 January 2013
  8. Offering Period: 17 January 2008
  9. Closing Date: 23 January 2008
  10. Method of Issue: Public offering in the domestic market
  11. Date of Payment of Interest on the Bonds: Semiannually on 23 January and 23 July
  12. Status of the Bonds: Unsecured by assets or guarantees
  13. Fiscal Agent: Mizuho Corporate Bank, Ltd.
  14. Underwriters: Mizuho Securities Co., Ltd.
- Use of Proceeds: To be applied mainly toward the redemption of bonds and also repayment of loans

## II . Domestic Unsecured Yen Bonds due 23 January 2018

1. Name: Kobe Steel, Ltd.  
Series 48 Unsecured Bonds  
(Limited Inter-Bond Pari Passu Clause)
  2. Total Amount of Issue: 10 Billion Yen
  3. Denomination of Bond: 100,000,000 Yen each
  4. Interest Rate: 1.81% per annum of the principal of the Bonds
  5. Issue Price: 100% of the principal amount of the Bonds
  6. Redemption Price: 100% of the principal amount of the Bonds
  7. Maturity Date: To be redeemed in a lump sum on 23 January 2018
  8. Offering Period: 17 January 2008
  9. Closing Date: 23 January 2008
  10. Method of Issue: Public offering in the domestic market
  11. Date of Payment of Interest on the Bonds: Semiannually on 23 January and 23 July
  12. Status of the Bonds: Unsecured by assets or guarantees
  13. Fiscal Agent: The Bank of Tokyo-Mitsubishi UFJ, Ltd.
  14. Underwriters: Mizuho Securities Co., Ltd.
- Use of Proceeds: To be applied mainly toward the redemption of bonds  
and also repayment of loans

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